

NAILAH K. BYRD CUYAHOGA COUNTY CLERK OF COURTS 1200 Ontario Street Cleveland, Ohio 44113

Court of Common Pleas

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By: DONALD W. DAVIS 0030559

Confirmation Nbr. 3137204

SOUTHWEST UROLOGY, LLC, ET AL

CV 24 995752

vs.

TIM A. SIDOR, M.D.

Judge: MICHAEL P. SHAUGHNESSY

Pages Filed: 171



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IN THE COURT OF COMMON PLEAS CUYAHOGA COUNTY, OHIO

SOUTHWEST UROLOGY, LLC) CASE NO.:
6900 PEARL ROAD)
MIDDLEBURG HEIGHTS, OH 44130) JUDGE:
0)
&)
ION CLEVELAND HOLDINGS, LLC)
1209 ORANGE STREET)
WILMINGTON, DE 19801)
Plaintiffs,)
)
V.)
TIM A. SIDOR, M.D.)
6689 KINGSCOTE PARK)
INDEPENDENCE, OHIO 44131) <u>COMPLAINT</u>
Defendant.)
	ý
)

Plaintiffs, Southwest Urology, LLC ("Southwest Urology") and ION Cleveland Holdings, LLC ("ION") (collectively, "Plaintiffs"), by and through the undersigned counsel, and for their Complaint against Defendant, Tim A. Sidor, M.D. ("Defendant Sidor," and together with Plaintiffs, the "Parties") states as follows:

PARTIES

1. Plaintiff Southwest Urology is an Ohio limited liability company.

2. Plaintiff Southwest Urology is a professional medical practice specializing in urological care.

3. Plaintiff ION is a Delaware limited liability company.

4. Defendant Sidor is an individual residing at 6689 Kingscote Park, Independence,

Ohio 44131.

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5. Defendant Sidor is a physician licensed to practice medicine in the State of Ohio, providing professional medical services in the specialty of urology.

JURISDICTION AND VENUE

6. This Court has subject matter jurisdiction pursuant to R.C. § 2305.01.

7. Venue is proper in this Court pursuant to Civ. R. 3 (C)(1), (3) and (6).

8. Jurisdiction and venue are also proper because the Parties agreed, by and through their February 1, 2024, Severance and Release of Claims Agreement ("Severance Agreement") that "[t]he sole and exclusive jurisdiction shall be the court, state or federal, having jurisdiction over Cuyahoga County, Ohio for any disputes arising from or related to this Agreement." Severance Agreement, ¶ 12, attached hereto as Exhibit "A."

FACTUAL OVERVIEW

Employment Agreement

9. On or about December 31, 2020, Plaintiff Southwest Urology and Defendant Sidor entered into the Shareholder Physician Employment Agreement ("Employment Agreement").

10. A true and accurate copy of the Employment Agreement is attached hereto as Exhibit "B."

11. Pursuant to the Employment Agreement, Defendant Sidor agreed to provide professional medical and related clinical health care services to Plaintiff Southwest Urology on a full-time basis, with the initial term of the Employment Agreement beginning December 31, 2020, and ending December 31, 2025 (the "Term"). *See* Employment Agreement, § III.a.

12. Defendant Sidor was to perform such duties and responsibilities under the Agreement "in good faith, in a diligent, trustworthy, businesslike, proficient, and efficient manner with reasonable care...." *See* Employment Agreement, § I.c.

Equity Interest

13. In addition to practicing medicine, and pursuant to a December 31, 2020, Securities Purchase Agreement ("Purchase Agreement") entered into by and between Plaintiff ION, Specialty Network Partners, LLC ("SNP"), Emerald Necklace Urology Group, Inc. ("Emerald Necklace") and the physician owners of Emerald Necklace ("Owners"), Defendant Sidor held a fifteen and a half percent (15.5%) ownership interest ("Equity Interest") of Emerald Necklace in SNP as defined by the terms and conditions of the Purchase Agreement.

14. That SNP was a Delaware limited liability company that has been dissolved.

15. A true and accurate copy of the Purchase Agreement is attached hereto as Exhibit "C."

Restrictive Covenants

16. As set forth in more detail below, in consideration for his employment with Southwest Urology and grant of Equity Interest in Emerald Necklace, Defendant Sidor agreed to be bound by certain restrictive covenants.

17. Such restrictive covenants are set forth in Article IV of the Employment Agreement and include, without limitation, Confidentiality (IV.a.), Non-Competition (IV.c.), Non-Solicitation (IV.d.), and Non-Disparagement (IV.e.).

18. Plaintiff Southwest Urology and Defendant Sidor agreed that the restrictive covenants were necessary to induce Plaintiff Southwest Urology to enter into the Employment Agreement, and further agreed that the restrictive covenants are reasonable and narrowly tailed to protect the confidential information and other legitimate business interests of Plaintiff Southwest Urology. *See* Employment Agreement, Art. IV.g.

19. In his capacity as a physician pursuant to the Employment Agreement, Defendant Sidor had access to certain confidential, propriety, or other non-public information regarding Plaintiff Southwest Urology and SNP as well as their affiliates and related entities (defined in the Employment Agreement as the "Company Group"), including tangible and intangible materials arising from, or otherwise related to, the services performed and as well as the identities and contact information of patients. *See* Employment Agreement, Art. IV ("In the course of Physician's employment by the Company, the Physician has had and will continue to have access to the most sensitive and most valuable trade secrets, proprietary information and other Confidential Information of the Company Group....").

20. In his capacity as a shareholder pursuant to the Purchase Agreement, Defendant Sidor similarly acknowledged his access to, among other things, "confidential, proprietary and trade secret information (including all tangible and intangible embodiments thereof) that concerns the Company Group entities or their respective businesses...."). *See* Purchase Agreement, § 5.8.

21. Given, among other things, his access to Plaintiffs' confidential information, Defendant Sidor agreed to be bound to the Non-Competition and Non-Solicitation agreements during the Restricted Period, defined as "the Term plus . . . the period from the Separation Date until the second anniversary of the Separation Date." Employment Agreement, p. 15.

22. Article IV.c. sets forth the Non-Competition agreement and states, in part:

Non-Competition. During the Restricted Period, the Physician will not, directly or indirectly (other than through and for the benefit of the Company Group), anywhere within or with respect to the Restricted Territory, own, manage, operate, join, control, finance or participate in, or participate in the ownership, management, operation, control or financing of, or be connected as an owner, investor, partner, joint venturer, director, limited liability company manager, employee, independent contractor, consultant or other agent of, any Person or enterprise (other than the Company Group) that is engaged in any Competing Business . . .

See Employment Agreement, IV.c.

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